NOTES TO THE QUARTERLY FINANCIAL REPORT

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134 Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad's Listing Requirements.

The financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2010. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2010.

The significant accounting policies and presentation adopted by the Group for the quarterly financial statements are consistent with those of the Group's consolidated audited financial statements for the year ended 31 December 2010 except for the adoption of the following:

Revised FRSs and Amendments to FRSs		**Effective date**
FRS 3	Business Combinations (Revised)	1 July 2010
FRS 127	Consolidated and Separate Financial Statements (Revised)	1 July 2010
Amendments to FRS 7	Financial Instruments: Disclosures: Amendments relating to improving disclosures about financial instruments	1 January 2011
Amendments to FRS 7	Financial Instruments: Disclosures *	1 January 2011
Amendments to FRS 101	Presentation of Financial Statements *	1 January 2011
Amendments to FRS 121	The Effect of Changes in Foreign Exchange Rates *	1 January 2011
Amendment to FRS 128	Investments in Associates *	1 January 2011
Amendment to FRS 134	Interim Financial Reporting *	1 January 2011
Amendments to FRS 139	Financial Instruments: Recognition and Measurement *	1 January 2011

* Amendments arising from Improvements to FRSs (2010)

The adoption of the above revised FRSs and amendments to FRSs do not have significant financial impact on the Group and the Company.

Financial Reporting Standards ("FRSs") and IC Interpretations ("IC Int.") Issued but Not Effective

At the date of issuance of this quarterly report, the FRSs, revised FRS, IC Int. and amendments to IC Int. which were in issue but not yet effective are as listed below:

FRSs, Revised FRSs, IC Int. and Amendments to IC Int.		**Effective date**
FRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2009)	1 January 2013
FRS 9	Financial Instruments (IFRS 9 issued by IASB in October 2010)	1 January 2013
FRS 10	Consolidated Financial Statements	1 January 2013
FRS 11	Joint Arrangements	1 January 2013
FRS 12	Disclosure of Interests in Other Entities	1 January 2013
FRS 13	Fair Value Measurement	1 January 2013

FRSs, Revised FRSs, IC Int. and Amendments to IC Int.		Effective date
FRS 119	Employee Benefits (Revised)	1 January 2013
FRS 124	Related Party Disclosures (Revised)	1 January 2012
FRS 127	Separate Financial Statements (Revised)	1 January 2013
FRS 128	Investments in Associates and Joint Ventures (Revised)	1 January 2013
Amendments to FRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	1 January 2012
Amendments to FRS 7	Disclosures – Transfers of Financial Assets	1 January 2012
Amendments to FRS 101	Presentation of Items of Other Comprehensive Income	1 July 2012
Amendments to FRS 112	Deferred Tax: Recovery of Underlying Assets	1 January 2012
IC Int. 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
IC Int. 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendments to IC Int. 14	Prepayments of a Minimum Funding Requirement	1 July 2011

The above FRSs, revised FRS, IC Int. and amendments to IC Int. will be adopted in the financial statements of the Group and the Company when they become effective and that the adoption of these FRSs and Interpretations will have no significant impact on the financial statements of the Group and the Company in the period of initial application.

Malaysian Financial Reporting Standards ("MFRSs")

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the MFRS Framework.

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2013.

A subsidiary and an associate of the Group fall within the scope of definition of Transitioning Entities and have opted to defer the adoption of the new MFRS Framework. As a result, the Group has opted to defer the adoption of new MFRS framework and accordingly, the Group will be required to prepare its financial statements using the MFRS Framework in its first financial statements for the financial year ending 31 December 2013.

A2 Audit report

The audit report of the preceding annual financial statements was not qualified.

A3 Seasonal or cyclical factors

The operations of the Group during the financial period under review have not been materially affected by any seasonal or cyclical factors.

A4 Unusual items

There were no items during this quarter affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence.

A5 Changes in estimates

The same estimates reported in the previous financial year were used in preparing the financial statements for the current quarter.

There were no other changes in estimates of amounts reported in previous year, which have a material effect in the current quarter.

A6 Debt and Equity Securities

During the current quarter, the Company purchased 213,000 units of its own shares through purchases on Bursa Malaysia Securities Berhad. The total amount paid for acquisition of the shares was RM549,477 including transaction costs and has been deducted from equity. The repurchase transactions were financed by internally generated funds and the average price paid for the shares was RM2.58. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act 1965.

A7 Dividend Paid

	Year To Date Ended	
	31.12.2011	31.12.2010
	RM'000	RM'000
Third interim dividend paid for the year 2009 : 6.50 sen tax exempt per ordinary share paid on 16 March 2010	**-**	4,882
Fourth interim dividend paid for the year 2010 : 3.50 sen tax exempt per ordinary share paid on 30 March 2011	**2,622**	-
First interim dividend paid for the year 2011 : 3.00 sen tax exempt per ordinary share paid on 10 June 2011 (2010 : 3.50 sen tax exempt per ordinary share paid on 4 June 2010)	**2,239**	2,621
Second interim dividend paid for the year 2011 : 3.50 sen tax exempt per ordinary share paid on 14 September 2011 (2010 : 2.50 sen tax exempt per ordinary share paid on 3 September 2010)	**2,630**	1,870
Third interim dividend paid for the year 2011 : 3.00 sen tax exempt per ordinary share paid on 8 December 2011 (2010 : 3.00 sen tax exempt per ordinary share paid on 16 December 2010)	**2,243**	2,266
	===========	**=========**

A8 Segmental analysis

Segment information is presented in respect of the Group's business segments, which reflect the Group's internal reporting structure that are regularly reviewed by the Group's chief operating decision maker for the purposes of allocating resources to the segment and assessing its performance.

For management purposes, the Group is organised into the following operating divisions:

- Packaging - manufacture and marketing of flexible packaging materials
- Property development - development of land into residential and commercial building properties

Segment Revenue and Results

Segment information for the year ended 31 December 2011 was as follows:

	Packaging RM'000	Property development RM'000	Eliminations RM'000	Group RM'000
2011				
Revenue	**267,897**	**16,332**	**-**	**284,229**
	=========	=========	=========	=========
Results				
Segment results	**23,134**	**3,800**	**-**	**26,934**
Unallocated costs				**(368)**

Profit from operations				**26,566**
Finance costs				**(1,218)**
Share of results of associated company	**-**	**(71)**	**-**	**(71)**

Profit before tax				**25,277**
				========

Segment information for the year ended 31 December 2010 was as follows:

	Packaging RM'000	Property development RM'000	Eliminations RM'000	Group RM'000
2010				
Revenue	244,943	22,806	-	267,749
	=========	=========	=========	=========
Results				
Segment results	21,180	3,753	-	24,933
Unallocated costs				(370)

Profit from operations				24,563
Finance costs				(909)
Share of results of associated company	-	172	-	172

Profit before tax				23,826
				=========

Unallocated costs represent common costs and expenses incurred in dormant subsidiary companies.

Geographical Information
The Group operates in two principal geographical areas - Malaysia (country of domicile) and Australia.

The Group's revenue from continuing operations from external customers and information about its non-current assets* by geographical location information for the twelve month ended are as follows:

	Group	
	31.12.2011	**31.12.2010**
	RM'000	**RM'000**
Revenue		
Malaysia	**245,122**	233,880
Australia	**39,107**	33,869
	284,229	267,749
Non current assets *		
Malaysia	**75,111**	63,169
Australia	**202**	231
	75,313	63,400

* Non-current assets excluding land held for development, investment in associated company and deferred tax assets.

A9 Valuations of property, plant and equipment
No valuation on property, plant and equipment was carried out by the Group.

A10 Subsequent events
There were no material events subsequent to 31 December 2011 and up to the date of the issuance of this quarterly report that have not been reflected in this quarterly report.

A11 Changes in the Composition of the Group
There were no changes in the composition of the Group during the financial quarter ended 31 December 2011 including business combinations, acquisitions or disposals of subsidiaries and long term investments, restructuring and discontinuing operations.

A12 Contingent liabilities
As at 31 December 2011, the Company has issued corporate guarantees totalling RM8,500,000 and a Standby Letter of Credit for Australian Dollar 500,000 (equivalent to RM1,614,200) in respect of credit facilities granted by licensed banks to its subsidiary companies. Accordingly, the Company is contingently liable to the extent of the amount of the credit facilities utilised by the subsidiary companies.

A13 Capital Commitments
Capital commitments not provided for in the financial statements as at 31 December 2011 were as follows: -

	RM'000
Property, plant and equipment	
- Authorised and contracted for	7,464
- Authorised but not contracted for	5,175

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B1 Review of Performance

Segment	3 months ended		12 months ended	
	31.12.2011	31.12.2010	**31.12.2011**	31.12.2010
	RM'000	RM'000	**RM'000**	RM'000
Packaging				
Revenue	**73,568**	58,920	**267,897**	244,944
PBT	**6,507**	2,708	**21,547**	19,901
% PBT	**8.8%**	4.6%	**8.0%**	8.1%
Property				
Revenue	**2,135**	16,542	**16,332**	22,805
PBT	**765**	2,759	**3,730**	3,925
% PBT	**35.8%**	16.7%	**22.8%**	17.2%
Total				
Revenue	**75,703**	75,462	**284,229**	267,749
PBT	**7,272**	5,467	**25,277**	23,826
% PBT	**9.6%**	7.2%	**8.9%**	8.9%

Q4'2011 vs Q4'2010

For the three months ended 31 December 2011, the Group recorded revenue of RM75.70million as compared to RM75.46million for the corresponding period in the previous year, representing a marginal increase of 0.3%. The Group's profit before tax ("PBT") increased by 33.0% to RM7.27million as compared to RM5.47million previously.

Packaging segment revenue increased by 24.9% to RM73.57million in Q4'2011 (Q4'2010: RM58.92million). The PBT in Q4'2011 increased by 140.29% to RM6.51million (Q4'2010: RM2.71million). The significant increase in PBT was mainly due to higher sales demand from existing customers and favourable sales mix in 2011.

Property segment revenue decreased by 87.1% to RM2.14million (Q4'2010: RM16.54million) and PBT decreased by 72.3% to RM0.77million (Q4'2010: RM2.76million). The reduction in the revenue and PBT for the property segment was in line with the lower percentage of completion recognised for the current reporting period as compared to the previous year's corresponding period.

YTD2011 vs YTD2010

For the financial year ended 31 December 2011, the Group recorded revenue of RM284.23million (2010: RM267.75million), representing an increase of 6.2%. The Group's PBT for the current financial year of RM25.27million representing an increase of 6.1% (2010: RM23.83million). The increase in revenue and earnings was from the packaging segment.

The increase in PBT of the **packaging segment** of 8.3% to RM21.6 million for the year 2011 (2010: RM19.90million) was mainly due to the favourable impact of Q4'11 as explained above.

Property segment revenue decreased by 28.4% to RM16.3million (2010: RM22.81million) and PBT decreased by 5.0% to RM3.73million (2010: RM3.93million). The reduction in the revenue and PBT for the property segment was in line with the lower percentage of completion recognised for the year 2011 as compared to the year 2010.

B2 Material Changes in Profit Before Taxation for the Quarter Reported On As Compared with the Immediate Preceding Quarter

For the three months under review, the Group's turnover of RM75.70million increased by 11.9% (Q3'2011: RM67.67million). The Group recorded a PBT of RM7.27million (Q3'2011: RM5.49million) for the preceding quarter representing an increase of 32.4%.

Segment	3 months ended	
	31.12.2011	30.9.2011
	RM'000	RM'000
Packaging		
Revenue	**73,568**	62,247
PBT	**6,507**	4,710
Property		
Revenue	**2,135**	5,418
PBT	**765**	783
Total		
Revenue	**75,703**	67,665
PBT	**7,272**	5,493

Packaging segment revenue increased by 18.2% to RM73.57million in Q4'2011 (Q3'2011: RM62.25million). PBT increased by 38.2% to RM6.51million (Q3'2011: RM4.71million). This increase in the turnover and PBT was mainly due to the higher output in Q4'11 having recovered from the unprecedented breakdown in Q3'2011 of certain key machinery as well as favourable product mix for the period under review.

Property segment revenue decreased by 60.6% to RM2.14million (Q3'2011: RM5.42million) and PBT decreased by 2.3% to RM0.76million (Q3'2011: RM0.78million). The reduction in the revenue and PBT for property segment was in line with the lower percentage of completion recognised for the current reporting period as compared to the previous reporting period.

B3 Prospects

The global economy is expected to face a slowdown in 2012 in view of the ongoing uncertainties and the Eurozone debt crisis. However, as our core business mainly serves the food industry, we anticipate the Group remaining resilient during this time.

The Board is of the opinion that the prices of raw materials would likely stabilize in the current year due to anticipated increase in supply of raw materials and a more need-based demand during this period of economic uncertainty.

The Group will continue to grow its packaging segment especially in the identified key growth areas like Australia and by strengthening collaborations with regional Multi National Corporations. We also target maiden contributions from the non Food & Beverage sectors like packaging for medical gloves and electronics in 2012.

The contribution from the property segment will be minimal in 2012 in line with the Group's intention to phase out the property development activities to focus on the packaging segment.

Barring unforeseen circumstances, the Board is of the opinion that the performance for the next financial year should outperform that of the current financial year.

B4 Profit Forecast or Profit Guarantee

No profit forecast or profit guarantee was provided.

B5 Profit Before Tax

Profit before tax is arrived at after crediting/(charging):

	3 months ended		12 months ended	
	31.12.2011	31.12.2010	**31.12.2011**	31.12.2010
	RM'000	RM'000	**RM'000**	RM'000
Interest income	**21**	39	**79**	73
Other income	**804**	574	**2,334**	2,422
Interest expense	**(316)**	(246)	**(1,218)**	(909)
Depreciation and amortisation	**(2,217)**	(2,116)	**(8,250)**	(7,994)
Allowance for impairment of trade receivables –net of recoveries	**(5)**	(104)	**(2)**	(102)
Reversal of allowance /(Allowance) for obsolete inventories	**308**	(690)	**1,200**	(654)
Allowance for write down of inventories	**(90)**	(202)	**(232)**	(249)
Foreign exchange gain/(loss):				
-Realised	**146**	83	**61**	(929)
-Unrealised	**447**	(363)	**(178)**	196
Gain/(loss) on derivatives:				
-Realised	**16**	159	**251**	19
-Unrealised	**(552)**	550	**(66)**	130

Other than the above, there were no disposal of quoted or unquoted investments or properties and impairment of assets for the financial quarter ended 31 December 2011.

B6 Taxation

	3 months ended		12 months ended	
	31.12.2011	31.12.2010	**31.12.2011**	31.12.2010
	RM'000	RM'000	**RM'000**	RM'000
In respect of current period:-				
- Malaysian Tax	**628**	1,200	**3,150**	5,439
- Foreign Tax	**77**	196	**557**	487
- Deferred Tax	**538**	(272)	**857**	(702)
	1,243	1,124	**4,564**	5,224
In respect of prior year:-				
- Malaysian Tax overprovided	**-**	-	**(17)**	(105)
- Foreign Tax overprovided	**-**	(1)	**(25)**	(1)
	1,243	1,123	**4,522**	5,118

The effective tax rate for the financial quarter ended 31 December 2011 was lower than the statutory tax rate mainly due to availability of tax incentives.

B7 Status of Corporate Proposals

There were no corporate proposals announced as at the date of this quarterly report.

B8 Group Borrowings

Details of the Group's borrowings as at 31 December 2011 were as follows: -

	Current RM'000	Non Current RM'000
Unsecured - Ringgit Malaysia	25,435	7,633
Secured - Ringgit Malaysia	271	762
Secured - Australian Dollar	1,441	-
	27,147	8,395

Borrowings are denominated in Ringgit Malaysia and Australian Dollar.

B9 Material litigation

There was no pending material litigation as at the date of this quarterly report.

B10 Dividend

The Board is pleased to declare a fourth interim dividend of 4.00 sen, tax exempt, in respect of the financial year ended 31 December 2011 and the said dividend will be paid on 23 March 2012 (2010: 3.50 sen tax exempt) to shareholders whose names appear on the Company's Record of Depositors on 8 March 2012.

B11 Earnings Per Share

Basic earnings per share is calculated by dividing the profit for the period under review attributable to owners of the Company by the weighted average number of ordinary shares in issue during the said financial period, adjusted by the number of ordinary shares repurchased during the period under review.

	3 Months ended		12 Months ended	
	31.12.2011	31.12.2010	**31.12.2011**	31.12.2010
Basic earnings per share				
Profit attributable to owners of the Company (RM'000)	**5,910**	4,155	**20,074**	18,186
Weighted average number of ordinary shares in issue ('000)	**73,100**	75,598	**74,950**	75,238
Basic earnings per share (sen)	**8.08**	5.50	**26.78**	24.17

B12 Disclosure of realised and unrealised profits

The breakdown of retained profits of the Group as at the reporting date, into realised and unrealised profits or losses, pursuant to Paragraphs 2.06 and 2.23 of the Bursa Malaysia Main Market Listing Requirements, are as follows:

	31.12.2011	31.12.2010
	RM'000	RM'000
Total retained earnings of the Group:-		
- Realised	**74,067**	62,039
- Unrealised	**(5,620)**	(4,532)
	68,447	57,507
Total share of retained earnings from an associated company:-		
- Realised	**437**	508
- Unrealised	**1**	1
	68,885	58,016
Less: Consolidation adjustments	**(3,848)**	(3,319)
Total Group retained earnings	**65,037**	54,697

By Order of the Board

Ms TAN GAIK HONG, MIA 4621
Secretary
Melaka

Dated : 18 February 2012

c.c. Securities Commission